



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

DIVISION OF OIL AND GAS

550 W. 7th Avenue Suite 1100
Anchorage, Alaska 99501-3560
Main: 907.269.8800
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February 4, 2022

Keri Iles
Environmental Specialist – Permitting
Hilcorp North Slope, LLC
3800 Centerpoint Drive #1400
Anchorage, Alaska 99503

RE: LONS 71-005, Hilcorp North Slope, LLC, Prudhoe Bay Unit, Flow Station 2, VSM Maintenance Unit Plan of Operations Amendment Decision.

Dear Ms. Iles:

The Alaska Department of Natural Resources, Division of Oil and Gas (Division), in accordance with Alaska Statute 38.05 and Alaska Oil and Gas Leasing Regulations (11 AAC 83) grants authorization to conduct activities on state lands as proposed in the Prudhoe Bay Unit (PBU) Plan of Operations (Plan) amendment application dated January 20, 2022 for the above referenced project.

Scope:

Hilcorp North Slope, LLC (HNS) is requesting authorization to install 18 new vertical support members (VSMs) on well lines adjacent to Flow Station 2 (FS2) located in the Eastern Operating Area of the Prudhoe Bay Unit. The new 14-inch diameter VSMs will be installed adjacent to existing supports using a vibratory hammer. The new VSMs are necessary to mitigate subsidence on the lines. All equipment will be stored and refueled on existing gravel pads or roads. No slurry or other discharge to wetlands will occur as part of this work. The project is expected to begin in February of 2022.

Plan activities include:

- Install 18 new VSMs

Location information:

PBU

FS2

Meridian: Umiat

Township: 11N

Range: 15E

Section: 33

70.265473, -148.332474, NAD83

ADL: 028325

Agency review:

The Division provided a review and comment opportunity for the activities considered for the authorization under this decision. The following government entities were notified on Monday, January 20, 2021, for comment on the Plan: US Army Corp of Engineers (USACE), Alaska Department of Environmental Conservation (ADEC), Alaska Department of Fish and Game (ADF&G), and Alaska Department of Natural Resources: Divisions of Mining, Land & Water (DMLW) and Oil and Gas (DOG), and the North Slope Borough (NSB). The comment deadline was 4:30 pm Alaska time on February 3, 2022. No comments were received.

Conditions/Stipulations:

A certified As-Built Survey of the activity shall be provided within one year of placement of the improvement. This As-Built must contain a hard copy, as well as a digital GIS file containing a shapefile or ESRI Feature Class.

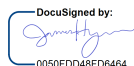
Please attach this amendment approval with the original decision. This unit operations amendment approval is issued in accordance with Alaska Statute 38.05, Alaska Administrative Codes 11 AAC 83.346 and 11 AAC 83.303. The Division reviewed this amendment under the unit regulation for the Plan, 11 AAC 83.346, and considers the factors set forth in 11 AAC 83.303(a) and (b). The amendment was also evaluated against the PBU agreement for conformance.

This approval signifies only that the State of Alaska has no objection to the operations outlined in the Plan amendment application. It does not constitute certification of any property right or land status claimed by the applicant nor does it relieve the applicant of responsibility to obtain approvals or permits from other persons or governmental agencies that may also be required. All stipulations contained in the original lease and subsequent Plan approvals remain in full force and effect.

If activities have not commenced, this approval expires on February 4, 2025. Failure to comply with the terms and conditions outlined in the lease, the attached stipulations, and this authorization may result in revocation of this unit operations approval.

Any questions or concerns about this amendment may be directed to Natural Resource Specialist Alex Zinck at 907-269-8804 or emailed to alexander.zinck@alaska.gov.

Sincerely,

DocuSigned by:
James Hyun

James Hyun

Natural Resource Specialist

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of "issuance" of this decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. Under 11 AAC 02.030, appeals and requests for reconsideration filed under 11 AAC 02 must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a) and (b). This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st calendar day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

Attachments: Figures 1-2
2018 North Slope Mitigation Measures

ecc: DOG: Graham Smith, James Hyun, Mark Henspeter, Ashley Ethridge, Jacob Rowland
and SPCO Records
DMLW: DMLW North Slope and Henry Brooks
ADF&G: Chelsea Clawson and Maria Wessel
ADEC: Laurie Silfven
Borough: North Slope Borough Planning and Permitting
Other: USACE